

Message Text

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ACTION IO-14

INFO OCT-01 ISO-00 AF-10 ARA-10 EA-10 EUR-12 NEA-10

OIC-02 ACDA-07 OMB-01 TRSE-00 EB-08 CIAE-00

DODE-00 PM-05 H-01 INR-07 L-03 NSAE-00 NSC-05

PA-01 PRS-01 SP-02 SS-15 USIA-06 /131 W

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R 191539Z AUG 77

FM USMISSION GENEVA

TO SECSTATE WASHDC 452

INFO AMEMBASSY BELGRADE

AMEMBASSY BONN

AMEMBASSY BRASILIA

AMEMBASSY BUCHAREST

AMEMBASSY BUENOS AIRES

AMEMBASSY COLOMBO

AMEMBASSY LAGOS

AMEMBASSY LIMA

AMEMBASSY LONDON

AMEMBASSY MEXICO CITY

AMEMBASSY MOSCOW

AMEMBASSY NEW DELHI

AMEMBASSY PARIS

AMEMBASSY STOCKHOLM

AMEMBASSY TOKYO

USMISSION NATO

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C O N F I D E N T I A L SECTION 1 OF 2 GENEVA 7126

E O 11652: GDS

TAGS: PFOR, PARM, UN

SUBJ: SUMMARY REPORT: MEETING OF UNSYG'S GROUP OF EXPERTS ON
MILITARY BUDGETS

1. SUMMARY: PRINCIPAL CONCLUSIONS OF THE FINAL REPORT OF THE
1977 UNSYG'S GROUP OF EXPERTS ON MILITARY BUDGETS REAFFIRM THE
VALIDITY OF THE REPORTING INSTRUMENT CONTAINED IN THE 1976

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REPORT WHILE SUGGESTING CERTAIN MODEST CHANGES; DELINEATE
CHOICES BETWEEN LEVEL OF DETAIL, COSTS OF REPORTING AND EASE
OF VERIFICATION; AND CALL FOR FURTHER OPERATIONAL DEVELOPMENT
BY MEANS OF A FIELD TRIAL BY A VARIED GROUP OF STATES WITH
QUOTE DIFFERENT BUDGETING AND ACCOUNTING SYSTEMS AND DIFFERENT
MECHANISMS FOR ESTABLISHING THE PRICES FOR THE MILITARY SECTOR
UNQUOTE. DISARMAMENT/DEVELOPMENT LINK QUESTIONS AS DEALT WITH

IN A LARGELY HISTORICAL WAY AND BY LANGUAGE WHICH PRESENTS A CASE FOR A MILITARY EXPENDITURE LIMITATION APPROACH TO ARMS CONTROL IN ITS OWN RIGHT. END SUMMARY

2. THE UNSYG'S 1977 GROUP OF EXPERTS ON MILITARY BUDGETS MET IN GENEVA FROM AUGUST 8 TO 19 TO PRODUCE A REPORT MANDATED BY UNGA RESOLUTION 31/87, ANALYZING COMMENTS OF STATES ON THE 1976 REPORT ON REDUCTION OF MILITARY BUDGETS AND MAKING SUCH FURTHER RECOMMENDATIONS AND CONCLUSIONS AS THEY DEEMED APPROPRIATE. PARTICIPANTS INCLUDED US, UK, FRG, JAPAN, SWEDEN, MEXICO, SRI LANKA, NIGERIA, AND PERU (CHAIRMAN).

3. US REP JOHN KOEHLER, ASSISTANT DIRECTOR FOR NATIONAL SECURITY AND INTERNATIONAL AFFAIRS, CONGRESSIONAL BUDGET OFFICE, TOGETHER WITH THE UK AND JAPANESE DELEGATES, SUCCESSFULLY FOCUSED THE GROUP'S ATTENTION ON THE NECESSITY OF DETAILED, COMPARABLE AND VERIFIABLE DATA AS AN ESSENTIAL PREREQUISITE TO MILITARY EXPENDITURE LIMITATION. MAJOR SUBSTANTIVE ADVANCE OVER 1976 REPORT WAS EXTENSIVE DISCUSSION OF TRADE OFFS BETWEEN THE LEVEL OF DETAIL CONTAINED IN THE MILITARY EXPENDITURE REPORTING MATRIX, THE COSTS TO THE REPORTING STATE OF ARRAYING ITS DEFENSE BUDGET IN A MANNER CORRESPONDING WITH PRECISION TO THE MATRIX, AND THE RELATIVE EASE OF VERIFICATION IF THE DETAIL AND ACCURACY ARE SUFFICIENTLY HIGH. IT WAS AGREED THAT WHILE SOME APPROXIMATION AND AGGREGATION WOULD BE PERMISSIBLE AT EARLY STAGES OF MILITARY EXPENDITURE

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REPORTING, ACTUAL LIMITATION WOULD IMPOSE REQUIREMENTS FOR BOTH ACCURACY AND DETAIL.

4. IN SPITE OF PAUCITY AND SHALLOWSNESS OF REPLIES BY STATES TO THE SYG'S REQUEST FOR COMMENTS ON, AND INFORMATION RELATED TO, THE 1976 REPORT, THE EXPERTS GROUP WAS ABLE TO MAKE SEVERAL USEFUL ADVANCES BASED ON THE REPLIES, ON SWEDEN'S QUITE SUCCESSFUL ATTEMPT TO COMPLETE THE REPORTING INSTRUMENT, AND ON THE KNOWLEDGE OF SEVERAL OF THE EXPERTS. WHILE THE VALIDITY OF THE REPORTING FORMAT WAS EXPLICITLY REAFFIRMED, SEVERAL MODIFICATIONS WERE RECOMMENDED IN LIGHTS OF THIS NEW INFORMATION, AND IT WAS AGREED THAT SOME OF THE MORE DIFFICULT ITEMS TO SUPPLY INFORMATION ON MIGHT BE DEFERRED TO A LATER STAGE.

5. DISARMAMENT/DEVELOPMENT LINK QUESTIONS ARE DEALT WITH BY A RECITATION OF RELEVANT UN HISTORY, BY LANGUAGE WHICH PRESENTS A CASE FOR A MILITARY EXPENDITURE LIMITATION APPROACH TO ARMS CONTROL IN ITS OWN RIGHT, AND BY REITERATION OF THE OBJECTIVES OF THE EXERCISE IN TERMS OF BOTH ARMS CONTROL AND THE FREEING OF RESOURCES FOR SOCIAL AND ECONOMIC DEVELOPMENT. PARTICULARLY OF THE LDCS. LDC REPS PROVED PREDICTABLY

VOCIFEROUS ON THE QUOTE LINK UNQUOTE AND SOUGHT AN EXTENSIVE

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AND QUITE UNACCEPTABLE TREATMENT. SWEDISH POSITION, WHILE
MARGINALLY MORE ACCOMMODATING TO THE LDCS, WAS NOT TOO FAR
REMOVED FROM ALLIED POSITIONS.

6. THE REPORTS CONCLUSIONS CONTAIN QUITE EXPLICIT RECOMMENDA-
TIONS FOR THE CONTINUED OPERATIONAL DEVELOPMENT OF THE
REPORTING INSTRUMENT BY MEANS OF A FIELD TRIAL OF REPRESENTA-
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TIVE STATES TO BE CONDUCTED BY A MIMILAR EXPERTS GROUP. THE CONCLUSIONS PLACE POTENTIAL MILITARY EXPENDITURE LIMITATION CLEARLY IN THE CONTEXT OF CONSISTENT AND COMPREHENSIVE REPORTING AND CITE THE PROGRESS TOWARD SUCH REPORTING. SWEDEN SEEMS PREPARED TO OFFER AN ENABLING RESOLUTION FOR THE TRIAL DEMONSTRATION AT THE UNGA THIS FALL BUT PRE- DITIONS ON ITS PRECISE CONTEXT ARE RISKY, PARTICULARLY IN LIGHT OF LAST YEAR'S EXPERIENCE. MEXICAN SPONSORSHIP IS LESS CERTAIN, BASED ON TWO PIECES OF EVIDENCE:

A) SECOND-HAND REPORT FROM JAPANESE DELEGATE THAT THE MEXICAN DELEGATE TOLD WATANABE, CHIEF OF DISARMAMENT SECTION, MFA, TOKYO, THAT THEIR SPONSORSHIP THIS YEAR WAS UNCERTAIN; AND

B) PRESENTATION BY MEXICAN DELEGATE OF A PROPOSED SET OF EXPERT GROUP RECOMMENDATIONS THAT EXPRESSED IMPATIENCE AT THE SLOW PACE OF THE PROCESS AND WOULD HAVE REPEATED IN MORE DIRECT TERMS A CALL FOR MILITARY BUDGET REDUCTIONS BY MAJOR SPENDERS. THE DELEGATE RECOGNIZED THAT THIS APPROACH WOULD RISK TERMINATING THE ENTERPRISE IN THE FALL. THE PROPOSAL WITHERED AND THE MEXICAN DELEGATE ACCEPTED MORE MODEST FORMULATIONS IN WHICH VERIFICATION WAS LINKED WITH BUDGET CUTS.

7. NEXT STEPS. MUCH OBVIOUSLY DEPENDS ON THE OUTCOME OF THE FALL'S GENERAL ASSEMBLY. ON BALANCE, IT SEEMS LIKELY THAT A BROADER TRIAL DEMONSTRATION OF THE REPORTING INSTRUMENT WILL BE MANDATED. ITS PARTICIPANTS REMAIN UNCLEAR. THE COUNTRIES THAT HAVE INDICATED THEY COULD REPORT WITHOUT TOO MUCH DIFFICULTY ARE THE US, THE NETHERLANDS, SWEDEN, AND SPAIN. THE UK AND JAPAN HAVE INDICATED THAT THEY WOULD NOT TAKE PART, THE FRG IS UNCOMMITTED BUT DOUBTFUL AND FOR CONFIDENTIAL

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TECHNICAL REASONS WOULD HAVE DIFFICULTY IN REPORTING. THERE IS AS YET NO INDICATION THAT ANY LDC IS WILLING TO REPORT. SECURING NON-OECD PARTICIPATION IS IMPORTANT FOR PUTTING PRESSURE ON THE EASTERN BLOC. ALTHOUGH NONE IS PROMISED YET, THIS SHOULD NOT BE UNATTAINABLE. IF IT IS ATTAINABLE, THEN THE APPROPRIATE US POSTURE SEEMS TO BE ONE OF COOPERATION. AT THE LEVEL OF APPROXIMATION APPROPRIATE FOR THE EARLY STATES OF DEVELOPMENT OF THE REPORTING INSTRUMENT, US COOPERATION WOULD ENTAIL ONLY MODEST REARRANGEMENT OF CURRENTLY PUBLISHED DATA AND A FEW ESTIMATES. VANDEN HEUVEL

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Message Attributes

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Decaption Note:
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Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
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Disposition History: n/a
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